IB9LM-15 Corporate Finance

26/27

Department
Warwick Business School
Level
Taught Postgraduate Level
Module leader
Gi Kim
Credit value
15
Module duration
9 weeks
Assessment
20% coursework, 80% exam
Study location
University of Warwick main campus, Coventry

Description

Introductory description

The module aims to provide students with an introduction to the principles of Corporate Finance.

Module web page

Module aims

The module aims to illustrate how the basic tools and techniques of modern finance theory can be applied to analyse and improve the investment and financing decisions of the firm.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Indicative syllabus:
Introduction
Financial calculus
Financial markets
Valuing bonds

Valuing stocks
Portfolio choice and diversification
The capital asset pricing model
Capital budgeting
NPV in action
Market efficiency
Special Topic 1: Initial public offerings
Financing and capital structure
Payout policy
Corporate risk management
Special Topic 2: Mergers and acquisitions.

Learning outcomes

By the end of the module, students should be able to:

- Demonstrate a thorough knowledge of mainstream theories, models, and concepts related to Corporate Finance and the ability to implement them in order to solve financial problems.
- Discuss the key issues involved in capital budgeting decisions in the presence of taxes, inflation etc.
- Explain models of capital structure and payout policy in the presence of market imperfections (e.g. taxes).
- Explain corporate risk management issues and tools.
- Critically evaluate different techniques for appraising capital projects.

Indicative reading list

Reading lists can be found in Talis

Subject specific skills

Evaluate investment opportunities using the Net Present Value method.
Use discounted cash flow techniques to value bonds and equities.
Identify the optimum combination of debt and equity securities in a firm’s capital structure.

Transferable skills

Demonstrate enhanced IT and numerical skills, including the use of Excel for financial calculations.
Write in an academically appropriate way.

Study

Study time

Type	Required
Lectures	9 sessions of 1 hour (6%)
Other activity	18 hours (12%)
Private study	49 hours (33%)
Assessment	74 hours (49%)
Total	150 hours

Private study description

Private study to include preparation for lectures/ seminars/ workshops [delete as applicable] and own reading

Other activity description

9 x 2 hrs Workshops F2F

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group D4

	Weighting	Study time	Eligible for self-certification
Assessment component			
Group Case Analysis 2000 words	20%	15 hours	No
Reassessment component			
Case study analysis			Yes (extension)
Assessment component			
2hr exam 2 hr exam	80%	59 hours	No

	Weighting	Study time	Eligible for self-certification

- Answerbook Pink (12 page)
- Students may use a calculator

Reassessment component is the same

Feedback on assessment

Assessments are graded using standard University Postgraduate Marking Criteria and written feedback is provided. Overall percentage marks are awarded for examination performance and general examination feedback is provided to the cohort.

Past exam papers for IB9LM

Availability

Courses

This module is Optional for:

- Year 1 of TIBS-NL00 MSc Accounting and Sustainability
- Year 1 of TIBS-N500 MSc in Marketing and Strategy
- Year 1 of TIBS-N1F2 Postgraduate Taught Business with Consulting
- Year 1 of TIBS-N1F3 Postgraduate Taught Business with Marketing
- Year 1 of TIBS-N1QG Postgraduate Taught Business with Operations Management
- Year 1 of TIBS-N1F4 Postgraduate Taught International Business (MINT)
- TIBS-N2N3 Postgraduate Taught Management
    - Year 1 of N2N3 Management
    - Year 1 of N2N4 Management (Elite Sports Management)